

**GRAND OAKS ESTATES
MENARD COUNTY, ILLINOIS**

OWNER'S DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS

JULY 12, 1993

STATE OF ILLINOIS }
MENARD COUNTY } SS. NO. **143029**

This Instrument was filed for Record in
the Recorder's Office of Menard County aforesaid
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Marjorie O'Brien Recorder

Cabinet A, pg. 196

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OAKS ESTATES, MENARD COUNTY, ILLINOIS**

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**OWNER'S DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS FOR GRAND
OAKS ESTATES, MENARD COUNTY, ILLINOIS**

Dated: July 12, 1993

KNOW ALL MEN BY THESE PRESENTS, that D.G.H. Development Corporation, Inc., an Illinois corporation, hereinafter called the "Developer", and Allen D. Grosboll, Steven L. Hofing, and Patrick Doyle, being all of the Owners in fee simple of all of the lots in Grand Oaks Estates Subdivision, according to the Plat thereof as recorded on the 14th day of July, 1993, in Book 281 at Page 131 as Document Number 142940, and according to any and all subsequent Plats of Grand Oaks Estates, recorded hereafter, with the Menard County Clerk, Petersburg, Illinois; hereby subdivide said tract of land, and do designate such subdivision Grand Oaks Estates, for the purpose of sale of lots therein, as described and numbered on said Plats. Streets and parkways as marked and identified thereon are dedicated to public use as thoroughfares and for use incident to the installation of water mains and all other public utilities. Easements as marked and identified thereon are dedicated for use incident to the installation of water mains and all other public utilities and for use in providing surface water drainage; and,

WHEREAS, Developer and said individuals are the owners of said real estate and desire to provide for the preservation of the values and amenities in said subdivision and for the maintenance of common areas, and to that end, desire to subject said real property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said real estate and subsequent owners thereof; and,

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities in said subdivision, to create an agency to which shall be delegated and assigned the powers of maintaining, administering, and enforcing the covenants and restrictions, and for collecting and disbursing the assessments and charges hereinafter created; and,

WHEREAS, Developer has incorporated under the laws of the State of Illinois; and,

WHEREAS, Developer will hereafter incorporate under the laws of the State of Illinois, a not-for-profit corporation, known as "Grand Oaks Estates Homeowners' Association, Inc.", for the purpose of exercising said function;

NOW, THEREFORE, Developer and said individuals hereby declare said real property described in said Plats is and shall be held, sold, conveyed, encumbered, leased, rented, used, occupied and improved subject to the covenants, restrictions, easements, charges and liens (sometimes collectively referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I -- DEFINITIONS

- (a) "Association" shall mean and refer to Grand Oaks Estates Homeowners' Association, Inc., an Illinois not-for-profit corporation, its successors and assigns.
- (b) "Properties" shall mean and refer to the property described in the Plats of the Subdivision.
- (c) "Common Areas" shall mean and refer to all real and personal property, facilities and improvements now or hereinafter owned by the Association for the common use and enjoyment of the owners.
- (d) "Conservation Easements" shall mean and refer to those areas designated on the Plats of Subdivision for the preservation of the natural beauty of the Subdivision and to preserve the growth of timber and other plant growth which is presently located thereon. Said easements shall contain

recreational trails, bridges, benches and other related structures.

- (e) "Lot" shall mean and refer to a portion of the property intended for independent ownership and use as may be set out in this Declaration and shall be shown on the Plats of Subdivision.
- (f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any lot which is a part of the properties, including contract sellers; but excluding those having such interest merely as security for the performance of an obligation, unless and until such person acquires title pursuant to foreclosure or any such proceeding or conveyance in lieu of foreclosure.
- (g) "Member" shall mean and refer to every owner who therefore is a member of the Association.
- (h) "Developer" shall mean and refer to D.G.H. Development Corporation, Inc., and its assigns, if such assigns should acquire a portion of the land described in Article II, from the Developer, for the purpose of resale to an Owner or for the purpose of constructing improvements thereon for resale to an Owner
- (i) "Area of Common Responsibility" shall mean and refer to the Common Areas together with those areas, if any, upon a lot, the maintenance, repair or replace of which is made the responsibility of the Association by this Declaration.
- (j) "Board" shall mean and refer to the Board of Directors of the Association.

ARTICLE II --PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. Property Subject to Declaration. The real property which is, and shall be held, sold, conveyed, encumbered, leased, rented, used, occupied and improved subject to this Declaration is located in Menard County, Illinois, and is more particularly described in the Plats of Subdivision of Grand Oaks Estates, which has previously been filed of record.

Section 2. The Common Areas. The Common Areas are as shown on said Plats. Upon formation of the Association, the Developer shall convey title to the Common Areas to the Association.

ARTICLE III -- POWERS, DUTIES AND OBLIGATIONS OF BOARD AND OWNERS

Section 1. Powers and Duties of the Board. The Board, for the mutual benefit of the Owners and the Association, shall have the following powers and duties:

- a. To improve, maintain or cause to be maintained the Common Areas and the Conservation Easements, including, but not limited to, planting, mowing, pruning, fertilizing, preservation and replacement of the landscaping and the upkeep and maintenance of walking trails, bridges, sidewalks, and other improvements in the Common Area and the Conservation Easements, and the upkeep and maintenance of equipment, signs, lighting and planting boxes located in the Common Areas and the Conservation Easements,
- b. To enter into agreements with the appropriate governmental authorities to enable the Association to improve and maintain the Common Areas and the Conservation Easements, or portions of any thereof.
- c. To make reasonable rules and regulations for the use and operation of the Common Areas and Conservation Easements, and to amend them from time to time, provided that any rule or regulation adopted by the Board may be amended or repealed by an instrument in writing signed by the Owners of a three-fourths (3/4) majority of the total eligible voters of the membership of the Association.

- d. To enter into agreements or contracts with insurance companies with respect to insurance coverage relating to the Common Areas, the Conservation Easements, and/or the Association;
- e. To enter into agreements or contracts with utility companies with respect to utility installation, consumption and service matters relating to the Common Areas, the Conservation Easements, and/or the Association;
- f. To borrow funds to pay costs of operation of the Association, which borrowings may be secured by assignment or pledge of rights against delinquent Owners or by liens on other Association assets, if the Board sees fit;
- g. To enter into contracts, maintain one or more bank accounts; and, generally, to have all the powers necessary or incidental to the operation and management of the Association;
- h. To sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements;
- i. To make available to each Owner within sixty (60) days after the end of each year an annual report and, upon the written request of the Members holding at least three-fourths (3/4) of the eligible votes of the Association at such time, to have such report audited (at the expense of the Association) by an independent certified public accountant, which audited report shall be made available to each Member within thirty (30) days after completion;
- j. Pursuant to Article VI hereof, to collect and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency;
- k. To exercise for the Association all powers, duties and authority vested in or delegated to the Association by this Declaration, the By Laws, or the Articles of Incorporation of the Association.
- l. To employ a manager or firm to manage the affairs and property of the Association, to employ independent contractors, or such other employees as the Board may deem necessary, and to prescribe their duties and to set their compensation;
- m. To retain the services of legal and accounting firms;
- n. To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and/or, in its discretion, seek damages or other relief from any Owner for violation of such provisions or rules;
- o. To contract with any third party or any Owner (including, without limitation, Developer) for performance, on behalf of the Association, of services which the Association is otherwise required to perform pursuant to the terms hereof, such contracts to be at competitive rates and otherwise upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interests of the Association;
- p. To take any and all other actions and to enter into any and all other agreements as may be necessary or proper for the fulfillment of its obligations hereunder, for the operational protection of the Association or for the enforcement of the controls, covenants, conditions, restrictions and development standards contained herein; and,
- q. To set the assessments, whether annual or special, described in this Declaration.

Section 2. Membership Meeting. The first annual meeting of the Members of the Association shall be called within 180 days after 35 lots have been transferred from Developer to Class "A" Members, written notice of which first annual meeting shall be sent to the members at least ten (10) days in advance of such meeting. Notwithstanding anything to the contrary in this Declaration provided, until the date of said first annual membership meeting, no Class A members shall have any voting rights, and the right of each such Class A member to vote on any matter is hereby denied until such meeting. Each Annual Meeting of the members of the Association following such initial annual meeting shall be held at the time and place

specified in the By-Laws of the Association.

Section 3. Liability Limitations. Neither Developer nor any Member nor the Board nor any directors on the Board (or any one of them nor the officers if any) of Developer or the Association shall be personally liable for the debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether or not such other Member was acting on behalf of the Association or otherwise. Neither Developer, the Association, its directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. Developer, the Association or any other person, firm or association liable to make such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portions thereof. The Association shall, to the extent permitted by applicable law, indemnify and defend all members of the Board and all members of the Architectural Control Committee, as hereinafter defined, from and against any and all loss, cost, expense, damage, liability, action or cause of action arising from or relating to the performance by the Board and such Architectural Control Committee of their duties and obligations, specifically including, without limitation, anything arising from or relating to the negligence of any officer, director, employee or agent of the Board or the Architectural Control Committee, except for any such loss, cost, expense, damage, liability, action or cause of action resulting from the gross negligence or willful misconduct of the person(s) to be indemnified

Section 4. Reserve Funds. The Board may establish reserve funds which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association. Aggregate deposits in such reserve funds shall not exceed an amount as may be reasonably determined by the Board to be necessary.

Section 5. Board Powers. With respect to the performance of the obligations of the Association hereunder, the Board shall have the right to contract for all goods, services and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

Section 6. Owner's Obligations to Repair. Except for those portions, if any, of each Lot which the Association is required to maintain or repair hereunder, each Owner shall, at his sole cost and expense, maintain and repair his Lot and the improvements situated thereon, keeping the same in good condition and repair and in compliance with the covenants, conditions and restrictions and development standards herein contained. In the event that any Owner shall fail to maintain and repair his Lot and/or such improvements as required hereunder, Developer or the Association, in addition to all other remedies available either hereunder, at law or in equity, and without waiving any of such alternative remedies, shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements (including, without limitation, all Improvements) erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to Developer or the Association, as the case may be, the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any assessment hereunder when due. Developer or the Association, at the cost of the Owner of the affected Lot, may, if the Owner of such affected Lot fails to promptly (and in any event, within sixty (60) days following the date of the casualty) do so following the date of occurrence of the hereinafter described damage, cause any and all improvements situated upon a Lot which are damaged or destroyed by fire or other casualty to be repaired and/or removed so as not to present an unsightly appearance and/or unsafe condition.

ARTICLE IV -- PROPERTY RIGHTS

Section 1. Owner's Right to Use and Enjoy the Common Areas. Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every lot, subject to the following:

- a. The right of the Association to charge reasonable admission and other fees for the use of any facility now or hereafter situated or constructed upon the Common Areas and to impose reasonable limits on the number of guests who may use the facilities.
- b. The right of the Association to suspend the voting rights and right to use the Common Areas and facilities by any Owner for any period during which any assessment of the Association against said Owner's Lot remains unpaid, and for any infraction by an Owner of the Association's published rules and regulations for the duration of the infraction, and for an additional period thereafter not to exceed sixty (60) days.
- c. The right of the Developer with regard to the Properties which may be owned for the purpose of development, to grant easements in and to the Common Areas contained with the Properties to any public agency, authority or utility for such purposes as will benefit the Properties or parties thereof and Owners of lots contained therein
- d. The right of the Association, by a majority vote of all of the members of the Board, to borrow money for the purpose of improving the Common Areas, or any portion thereof, for acquiring additional Common Areas, or any portion thereof, for repairing, or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan, a mortgage covering all or any portion of the Common Area; provided, however, that the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements and privileges herein reserved or established for the benefit of Developer or any Owner, or the holder of any mortgage, irrespective of when executed, given by Developer or any Owner encumbering any lot or other property located within the properties.
- e. The right of the Association to dedicate or transfer all or any portion of the Common Areas to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless such dedication or transfer has been approved (i) by at least 2/3 percent vote of the Class A members present or represented by proxy who are entitled to vote at a meeting duly called for such purpose, and (ii) by the Class B membership of the Association, so long as such membership shall exist.
- f. The right of the Association with regard to the Properties which it may own to grant easements to Developer, any public agency, authority or utility for such purposes as benefit the properties or portions thereof and Owners of lots contained therein.

Section 2. -- Owner's Right to Use and Enjoy Conservation Easements. Conservation easements are those designated on the plats of subdivision for the preservation of the natural beauty of the subdivision and to preserve the growth of timber and other plant life which is presently located thereon. The conservation easement shall contain recreational trails, bridges, benches, and other trail-related structures. Every owner shall have a right to use and enjoy the recreational trails, bridges, benches, and other trail-related structures located within the conservation easement. Each owner's right to use and enjoy the conservation easements shall be limited to the recreational trails, bridges, benches, and other trail-related structures located in said conservation easements. Except as to said recreational trails, bridges, benches, and other trail-related structures, each owner, who has a conservation easement located upon his lot, shall have the full use and enjoyment of said easement subject to the terms and provisions of this declaration and guidelines hereinafter established by the Association. It shall be the duty and responsibility of the Association to install, repair, and maintain all recreational trails, bridges, benches, and other trail-related structures located within said conservation easements. It shall be the duty and responsibility of each owner

to otherwise maintain all other portions of any conservation easements located on or about his lot, subject to the terms and provisions of this declaration and any guidelines hereinafter established by the Association.

ARTICLE V -- ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person or entity who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No owner, whether one or more persons, shall have more than one membership per lot. In the event of multiple Owners of a lot, votes and right of use and enjoyment shall be as provided herein. Membership shall be appurtenant to and may not be separated from ownership of any lot. Ownership of a lot shall be the sole qualification for membership. The rights and privileges of membership including the right to vote and to hold office may be exercised by a member or a member's spouse, but in no event shall more than one vote be cast nor office held for each lot.

Section 2. Voting. The Association shall have two classes of membership, Class "A" and Class "B", as follows:

- a. Class "A". Class "A" members shall be all Owners, with the exception of the Developer. Class "A" members shall be entitled to one vote for each lot in which they hold the interest required for membership by Section 1 hereof. When more than one person holds such interest in any lot, the vote for such lot shall be exercised as those Owners themselves determine and advise the Secretary in writing, prior to any meeting. In the absence of such advice, the lot's vote shall be suspended in the event more than one person seeks to exercise it. If a lot is owned by a corporation, partnership or trust, such entity shall designate in writing the person authorized to vote on behalf of such entity.
- b. Class "B". The Class "B" member shall be the Developer. The Class "B" member shall be entitled to vote for each lot in which it holds the interest required for membership by Section 1, Article V, provided that the Class "B" membership shall cease and become converted to Class "A" membership on the happening of either of the following events, whichever occurs earlier:
 - (1) When total votes of the Class "A" membership equal fifty (50) votes; or,
 - (2) At such time as Developer voluntarily surrenders its Class "B" membership rights.

ARTICLE VI -- COVENANT FOR MEMBERSHIP FEE AND ASSESSMENTS

Section 1. Purpose of Assessments. The assessments levied by the Association are for the purpose of promoting the recreation, scenic enjoyment, health, welfare and safety of the residents and for protecting, advancing and promoting the environment of the properties for the common benefit and enjoyment of the Owners and occupants of residences, improvements and maintenance of the Common Areas and other common facilities and other areas of common responsibility including but not limited to repair, replacement and additions thereto, and for the cost of labor, equipment and materials, management and supervision thereof, all as may be authorized from time to time by the Board of Directors.

Section 2. Creation of Lien and Personal Obligations of Assessments. Each Owner of any lot, by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in such deed or other conveyance, agrees to pay the Association: (a) An entering membership fee, (b) annual assessments, (c) special assessments and/or individual assessments against any particular lot, which shall be established and collected pursuant to the terms of this Declaration, including but not limited to reasonable fines as may be imposed herein.

All such assessments, together with interest thereon, late charges and costs of collection thereof, including reasonable attorney's fees, (i) shall be a charge and a continuing lien upon the lot against which any such assessment is made and (ii) shall also be the joint and several personal obligation of each person who was an Owner of said lot at the time when any such assessment made against said lot fell due. No Owner shall be entitled to a refund of any portion of the entering membership fee, or any annual or special assessment, or installment of a special assessment, paid by him, even though said Owner's membership in the Association terminates prior to expiration of the period covered by any such assessment or installment theretofore paid by him. No owner may avoid or escape liability for the entering membership fee, or any annual or special assessment, or individual assessment, imposed or levied pursuant to this Article VI by abandonment of his lot or by attempted waiver of non-user of the benefits of membership in the Association, or of the Common Areas and facilities.

Section 3. Entering Membership Fee. Each home owner-occupant or entity who holds an ownership interest in a lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association, within ten (10) days after first becoming a member of the Association, an entering membership fee of One Hundred Dollars (\$100.00) to be used by the Association for the same purposes for which annual and special assessments may be levied, provided, however, that no home owner-occupant or entity shall be required to pay the entering membership fee more than once, without regard to the number of lots in which said home owner-occupant from time to time may hold an ownership interest, and without regard to the number of times said Owner may again become a member of the Association after said Owner's initial membership therein terminates.

Section 4. Annual Assessment. It shall be the duty of the Board, at least thirty (30) days prior to the Association's annual meeting, to prepare a budget covering the estimated costs of operating the Association during the coming year which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the proposed budget and the assessments to be levied against each lot for the following year to be delivered to the last known residence address of each member at least thirty (30) days prior to the meeting. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of at least fifty-one percent (51%) of the total Association membership votes including those votes of the Class "B" member or members. Notwithstanding the foregoing, however, in the event the members disapprove the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

It is agreed and understood that until such time as the first annual meeting of members of the Association, the Developer shall have the right to establish, assess and levy an annual assessment for each lot no longer owned by Developer.

Section 5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy in any calendar year, a special assessment for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Areas of Common Responsibility, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the total membership, that being Class "A" members and Class "B" members, who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days in advance of the meetings setting forth the purpose of the meeting. The Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted.

Section 6. Individual Assessment. In the event that the need for maintenance or repairs of the Areas of Common Responsibility is caused through the willful or negligent act of an Owner, his family, his guests or

invitees, or in the event that an Owner of any lot shall fail or refuse to maintain such lot, or repair or replace the improvements located thereon in a manner satisfactory to the Board, or to the Architectural Control Committee, then, the Association, after approval by vote of 75% of all members of the Board, shall give such written notice of the Association's intent to provide the required maintenance, repair or replacement, at such Owner's sole cost and expense. The Owner shall have fifteen (15) days within which to complete said maintenance, repair or replacement, or if such work cannot be accomplished within said fifteen day period, to commence said maintenance, repair or replacement. If such Owner fails or refuses to discharge properly said obligations as outlined above, the Association shall have the right, through its duly authorized agents or employees to enter at reasonable hours of any day, upon said lot to perform such work. The Association may levy an individual assessment upon any lot, except as provided in Section 7 of this Article, to cover the cost and expense incurred by the Association in fulfilling the provisions of this election.

Section 7. Exemption from Assessment. The following property subject to this Declaration shall be exempt from all assessments, charges and liens created herein: (a) All properties to the extent of any easement or other interest therein dedicated and accepted by any public authority and devoted to public use. (b) All Common Areas as defined in Article I hereof. (c) Any vacant land or lots owned by a Class "B" member unless a lot is occupied as a residence. Any such land or lots owned by a Class "B" member shall be maintained by such Class "B" member at such member's sole cost and expense.

Section 8. Assessment Due Dates The annual assessment for each lot shall commence on the first day of the month following the transfer of ownership of the lot from Developer to the Owner. The method of payment and due dates for annual assessments shall initially be as established by the Developer, and subsequently thereto, by the Association, in accordance with Section 4 of this Article VI. The method of payment and due dates for individual assessments shall be as determined by the Board in accordance with Section 6 of Article VI. The Association shall prepare a roster of lots and assessments applicable thereto, which shall be open to inspection by any member upon reasonable notice to the Board.

Section 9. Computation. Annual and special assessments shall be charged against each lot. The annual assessment for each lot, as set by the Developer, and subsequently thereto, by the Board, shall be determined by dividing the amount of estimated costs and expenses (including a reasonable contingency fund) to be incurred by the Developer and/or Association for the year in question by the total number of lots in the Subdivision and the number of multi-family housing units in the Subdivision.

Section 10. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. Any assessment or assessment installment delinquent for a period of more than ten (10) days may incur a late charge in an amount as the Board may determine from time to time. The Association shall cause a notice of delinquency to be given to any member who has not paid, within the ten (10) days following the due date. If the assessment or assessment installment is not paid within thirty (30) days, the Association may declare the entire balance of such assessment for the remainder of such annual period due and payable in full, and a lien shall include the late charge, interest on the principal amount due at the maximum allowable rate from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may, as the Board shall determine, institute suit to collect such amounts or to foreclose its lien. Each Owner, by acceptance of a deed or other conveyance of a lot, vests in the Association or its agents, the right and power to bring all actions against such Owner or Owners personally for the collection of such charges as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the lot at any foreclosure sale or to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration but not limitation, abandonment of the lot.

Section 11. Subordination of Lien. The lien provided for in this Declaration shall be subordinate to the lien of any first mortgage now or hereafter placed upon the lot subject to assessment, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure *including but not limited to a mortgagor in possession or appointment of receiver.* Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. Estoppel Certificate. The Association shall, upon request of a member, at any reasonable time, furnish an estoppel certificate signed by an officer or other authorized agent of the Association, setting forth the amount of unpaid assessments and/or other charges, if any, against said member's lot, up to a given date or time of conveyance. Also, said estoppel certificate will certify as to whether or not there are violations of the Governing Documents on the lot as of the date of preparation of the certificate. Said certificate shall be delivered to the place of closing, and all outstanding assessments and other charges, if any, and a reasonable charge, as determined by the Board, to cover the cost of providing such certificate shall be deducted from the Seller's account at the closing and transmitted directly to the Association.

ARTICLE VII -- EASEMENTS

Section 1. Utility Easements. Developer hereby reserves the right to create easements upon, across, over, through and under the properties for ingress, egress, installation, replacement, repair and maintenance of all utility and service lines and systems including, but not limited to water, gas, telephones, electricity, television, cable or communication lines and systems. By virtue of these easements, it shall be expressly permissible for the Developer or the providing utility or service company to install and maintain facilities and equipment on the property, to excavate for such purposes and to fix and maintain wires, circuits and conduits on, in and under the land providing such company restores disturbed areas to the condition in which they were found.

Section 2. Easement to Inspect. Developer hereby grants and creates an easement in favor of the Association for ingress and egress on any lot to inspect such property for alleged violations of these covenants, the By-Laws of the Association, and any rules or regulations promulgated by the Association, based on formal, written complaints, and/or compliance with architectural standards and/or approved plans for alterations and improvements.

Section 3. Easement for Landscaping and Related Purposes. There shall be and is hereby reserved to the Developer for as long as it retains its rights as Developer, a non exclusive easement over all lots and Common Areas (whether public or private) for the purpose of erecting and maintaining street intersection signs, directional signs, temporary promotional signs, street lights, entrance features and/or theme areas, lighting, stone, wood or masonry wall features and/or related landscaping.

Section 4. Conservation Easements. Developer hereby grants and creates, as designated on the Plats of Subdivision, for the benefit of Owners as specified in Article IV, Section 2 herein, certain easements on, across, over, and through the Properties for preservation of the natural beauty of the Subdivision, to preserve the growth of timber and other plant life which is presently located thereon, and to allow for the installation of trails, bike paths, bridges, benches and other trail-related structures.

ARTICLE VIII -- ARCHITECTURAL CONTROL

Section 1. General. Anything contained in the foregoing Article VII of this Declaration to the contrary notwithstanding, no site preparation on any Lot or change in grade or slope of any Lot or erection of buildings or exterior additions or alterations to any building situated upon the Property or erection of or changes or additions in fences, hedges, walls and other structures, or construction of any swimming pools or other Improvements, shall be commenced, erected or maintained on any Lot until the Architectural Control

Committee (herein called the "Architectural Control Committee") appointed as hereinafter provided, has approved the plans and specifications therefor and the location of such Improvements.

Section 2. Composition. Until such time as the first annual meeting of the Association as herein provided, Developer shall annually appoint the members of the Architectural Control Committee, which will be composed of at least three (3) individuals (the exact number of members of the Architectural Control Committee to be designated by Developer from time to time), each generally familiar with residential and community development design matters and knowledgeable about the Developer's concern for a high level of taste and design standards within the Project. In the event of the death or resignation of any member of the Architectural Control Committee, Developer, for so long as it has the authority to appoint the members of the Architectural Control Committee, and thereafter, the remaining members of the Architectural Control Committee, shall have full authority to designate and appoint a successor. Members of the Architectural Control Committee may be removed and replaced at any time with or without cause, and without prior notice, by Developer, for so long as Developer has the right to appoint the members thereof, and thereafter by the Board. No member of the Architectural Control Committee shall be liable for claims, causes of action or damages (except where occasioned by gross negligence or willful misconduct of such member) arising out of services performed pursuant to this Declaration. Subsequent to the first annual meeting, (and earlier if Developer specifically assigns this right to the Board), the Board shall designate the number of and appoint the members of the Architectural Control Committee on an annual basis. At any time Developer may elect not to designate the number of and/or appoint the members of the Architectural Control Committee and may assign this right to the Board.

Section 3. Procedure. No Improvement of any kind or nature shall be erected, remodeled or placed on any Lot until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Control Committee, as to:

- (i) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;
- (ii) conformity and harmony of the external design, color, type and appearance of exterior surfaces;
- (iii) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon and drainage arrangement;
- (iv) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Control Committee, or matters in which the Architectural Control Committee has been vested with the authority to render a final interpretation and decision.

Final plans and specifications (including a site plan showing the location of the contemplated Improvements on the Lot) for all Improvements proposed to be constructed on a Lot shall be submitted in triplicate to the Architectural Control Committee for approval or disapproval. In addition, Lot Owners shall submit to the Architectural Control Committee an initial inspection fee. The initial inspection fee shall be initially set at \$75.00, but may be revised by the Architectural Control Committee upon approval by the Developer or a majority of the Board. In the event that it is necessary for the Lot Owner to submit subsequent revised plans and specifications, additional inspection fees may be required by the Architectural Control Committee, which shall be determined by said Committee based on the number and the nature of the revised plans and specifications. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. At such time as the plans and specifications meet the approval of the Architectural Control Committee, one complete set of plans and specifications will be retained by the Architectural Control Committee and the other complete sets of plans and specifications will be marked "Approved" and returned to the Lot Owner or his designated representative. If found not to be in compliance with these covenants, conditions and restrictions or if found to be otherwise unacceptable to the Architectural Control Committee pursuant hereto, one set of plans and specifications shall be returned to the Lot Owner marked "Disapproved", accompanied by a reasonable statement of items found

not to be in compliance with these covenants, conditions and restrictions or otherwise being so unacceptable. Any modification or change to the Architectural Control Committee-approved set of plans and specifications (specifically including, but without limitation, the above-described site plan) must again be submitted to the Architectural Control Committee for its inspection and approval. The Architectural Control Committee's approval or disapproval, as required herein, shall be in writing. Once the Architectural Control Committee has approved of plans and specifications for Improvements, the construction of such Improvements must be promptly commenced and diligently pursued to completion and if such construction is not commenced within twenty-four (24) months following the date of approval of the plans and specifications therefor by the Architectural Control Committee, such approval shall be deemed rescinded. Before construction of Improvements can thereafter be commenced on the Lot in question, the plans and specifications therefor must again be approved by the Architectural Control Committee pursuant to this Article VIII.

The Architectural Control committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the Lots and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Although the Architectural Control Committee shall not have unbridled discretion with respect to taste, design and any standards specified herein, the Committee shall be responsive to technological advances or general changes in architectural designs and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins shall supplement these covenants, conditions and restrictions and are incorporated herein by reference.

Section 4. Jurisdiction. The Architectural Control Committee is authorized and empowered to consider and review any and all aspects of the construction of any Improvements on a Lot which may, in the reasonable opinion of the Architectural Control committee, adversely affect the enjoyment of one or more Owners or the general value of the Property or the Project.

Section 5. Enforcement. The Architectural Control Committee shall have the specific non-exclusive right (but no obligation) to enforce the provisions contained in this Article of this Declaration and/or to prevent any violation of the provisions contained in this Article of this Declaration by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained in this Article of this Declaration.

Section 6. Definition of "Improvement". The term "Improvement" shall mean and include, but not be limited to, all buildings, storage sheds or areas, roofed structures, parking areas, fences, walls, hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope, site preparation, clothesline installation, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape and any new exterior construction or exterior improvement exceeding \$1,000.00 in cost which may not be included in any of the foregoing. The definition of Improvements does not include garden shrub or tree replacements or any other replacement or repair of any magnitude which ordinarily would be expensed in accounting practice and which does not change exterior colors or exterior appearances. The definition of Improvements does include both original Improvements and all later changes to Improvements.

Section 7. Failure of the Architectural Control Committee to Act. If the Architectural Control Committee fails to approve or disapprove any plans and specifications and other submittals which conform (and which relate to Improvements which will conform) with the requirements hereof or to reject them as being inadequate or unacceptable within thirty (30) days after submittal thereof, and provided such submittal was a full and complete submittal of all items that were to have been submitted to the Architectural Control Committee it shall be conclusively presumed that the Architectural Control Committee has approved such conforming plans and specifications and other submittals, EXCEPT that the Architectural Control Committee has no right or power, either by action or failure to act, to waive or grant any variances relating to any mandatory requirements specified in the Declaration. If plans and

specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials.

Section 8. Limitation of Liability. Neither the Architectural Control Committee nor the members thereof nor Developer shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications.

Section 9. Miscellaneous. No member of the Architectural Control Committee shall be entitled to compensation for, or be liable for, claim, causes of action or damages (except where occasioned by gross negligence or arbitrary and capricious conduct) arising out of services performed pursuant to this Article. The Association shall reimburse members of the Architectural Control Committee for reasonable out-of-pocket expenses incurred by such members in the performance of their duties as members of the Architectural Control Committee.

ARTICLE IX -- RESTRICTIVE COVENANTS

Section 1. Land Use. The Properties committed to this Declaration as described in said Plats of Subdivision shall be used for residential purposes only, and no trade or business of any kind may be carried on therein, except as to home office activities, which are allowed to be conducted on any lot, provided such activity or activities do not involve:

- (a) The presence of any employee, owner, supervisor, client or customer who is not a member of the household of the lot Owner;
- (b) The regular pickup or delivery by any commercial vehicle; and,
- (c) The storage, warehousing, manufacturing or sale of any products on the lot.
- (e) Violation of any other provision of this declaration.

Section 2. Nuisances. No nuisance or offensive activity shall be permitted upon the properties so as to jeopardize property values or be detrimental to the enjoyment, comfort and well-being of the members. Each Owner shall refrain and prohibit any act or use of a lot which could reasonably cause embarrassment or annoyance to other Owners or occupants, and the Board shall have the power to make and enforce reasonable rules and regulations in furtherance of this provision.

Section 3. Single-Family Purposes. No lot shall be used except for single family residential purposes except as to multi-family dwellings, which shall be allowed on Lots 39 through 47.

Section 4. Allowable Structures/Size. The total floor area of the main structure, exclusive of basement, one story open porches and garages shall:

- 1) Have a ground floor area of not less than 1800 square feet for a one story dwelling.
- 2) If more than one floor of living area, have a ground floor area of at least 1200 square feet with a total of at least 2000 square feet.
- 3) All driveways located upon a lot shall be constructed of a hard surface to accommodate typical residential use. Driveways must be constructed of rock (minimum 6" CA-6), asphalt, concrete, brick or other durable material. Driveways shall be no less than 10 feet in width.
- 4) Each residence constructed upon a lot shall include a garage that is consistent with the overall architectural design of the residence on the lot in question as determined by the Architectural

Control Committee.

- 5) All accessory buildings shall be incidental to the residential use of the Property and shall conform and be consistent with the overall architectural design of the residence on the lot in question as determined by the Architectural Control Committee.

The Architectural Control Committee may, in its discretion, permit a variance as to the minimum square footage so long as such variance is no more than 20% of the minimum required square footage.

No trailer, basement, tent, shack, garage, or barn placed on any lot shall, at any time, be used as a residence, temporarily or permanently.

Section 5. Building Sites. All buildings shall be located within the building site lines as established by the Architectural Control Committee and any engineer employed by the Architectural Control Committee.

Section 6. Gradelines. The gradeline of any lot shall be maintained to correspond with that of surrounding property. All grade lines will be set by the engineering company employed by the Developer or the Association prior to any construction. The topography of the lot shall not be altered so as to keep water from flowing as designed.

Section 7. Vacant Lots. All vacant lots shall be kept in a natural state, free of invasive weeds and foreign species, and shall not be permitted to fall into an unsightly condition. Any vacant lot which falls into an unsightly condition may be maintained by the Association at the expense of the Owner, and such expense shall be considered a Special Assessment to that Owner by the Association.

Section 8. Certain Site Improvement Limitations.

- 1) No outside television or radio aerial or antenna, or other antenna or dish or signal receptacle, for reception or transmission, shall be maintained on the exterior of any lot, living unit, or the Common Areas without the prior written consent of the Architectural Control Committee.
- 2) Swimming pools on lots containing single family residences shall be constructed within the building setback lines, and shall not be located in the front of the single family residence. If located above ground, the pool must be fenced so as to not be visible from any angle.
- 3) Stationary outside clothes lines will not be permitted and clothes hanging devices such as lines, poles, and frames, shall not be stored outside when not in use.
- 4) Outdoor lighting may be used for general night activities and for security purposes. Outdoor lighting shall be selectively located, oriented and sized so as not to be an unreasonable annoyance or nuisance to lot owners. At ground level, outdoor level shall not exceed five foot candles.

Section 9. Sale/Storage of Liquor. No spirituous, vinous or malt liquor shall be sold, or kept for sale, on any lot.

Section 10. Animals, Livestock, and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other generally recognized household pets may be kept; provided that they are not kept, bred or maintained for any commercial purposes. Such domestic pets shall not be permitted to cause or create a nuisance, disturbance or unreasonable amount of noise which may affect any resident or other person on the Owner's lot. Such domestic pets, at all times, must be within the voice control of the pet owner, or must be on a leash held by a person whenever such domestic pets are allowed upon the Common Areas or the trails included in the Conservation Easements. Notwithstanding any other provision to the contrary binding, the Association may adopt binding rules and regulations from time to time pertaining to the keeping of any and all pets upon the properties when the Association determines such action to be in the best interest, well being, and enjoyment of any or all of the residents of

the Grand Oaks Estates Subdivision.

Section 11. Vehicles/Parking. No lot, or any part hereof, shall be used, either temporarily or permanently, to sell, store or accumulate used cars, parts therefrom, or junk of any kind or character whatever. No owner, tenant, guest or other person shall park, store, or keep on any lot or Common Area, outside the confines of an enclosed garage, any commercial vehicle, boat or other water craft, motor home, trailer, camper or other transportation devices of any kind. The Architectural Control Committee may allow the parking or storage of certain motor homes, trailers, or campers outside an enclosed garage so long as, in the sole opinion of the Architectural Committee, a natural or constructed shield exists to block the view of such vehicles by neighbors, users of the Common Areas and trails, and passing traffic.

No Owner, tenant or other person shall repair or restore any vehicle of any kind upon any lot or Common Area outside the confines of an enclosed garage. No vehicles, that are not in a condition to be normally operated, may be stored or situated on any lot for more than seven (7) days, unless stored within the confines of an enclosed garage. Trucks with tonnage in excess of one ton shall not be permitted to park overnight on the streets, driveways or otherwise within the property. No vehicle of any size which transports inflammatory or explosive cargo may be kept on the property at any time.

The owner of each lot will be responsible for providing, on such lot, sufficient parking area for all vehicles normally parked and/or situated on/or in regard to such lot, such that on-street parking will not be permitted. Notwithstanding any provisions heretofore stated in these covenants and restrictions, the Association shall have the power and authority from time to time to adopt additional regulations regarding the parking and storage of vehicles.

Section 12. Rubbish/Waste. Rubbish, trash, garbage or other waste shall be kept in sanitary containers, and shall not be stored, kept deposited or left on any lot or any other part of the properties, except such garbage and rubbish which shall necessarily accumulate from the last garbage and rubbish collection. Sanitary containers shall not be permitted to remain in public view except on days of collection. No burning of trash, garbage, yard waste or removed vegetation shall be permitted. Burning of trees felled in the preparation for construction or of trees damaged by disease, wind or storms, is not allowed unless the Architectural Control Committee issues a single use permit for the burning of trees.

Section 13. Signs. No sign of any kind shall be maintained or displayed on any lot except one sign of not more than one (1) square foot in area, identifying the occupants of the dwelling, one sign of not more than ten (10) square feet in area advertising the property for sale or rent, and signs used by contractors during the construction of any improvements thereon.

Section 14. Mail Receptacles. The Architectural Control Committee shall have the right and power to prescribe and enforce uniform mail receptacles throughout the Subdivision.

Section 15. Fencing. No fencing shall be permitted in front yards. Fences, walls and screens shall be allowed in rear and side yards only for the purpose of:

- (1) containment of children or pets, except that dog kennels, pens and dog runs are expressly prohibited;
- (2) protection of swimming pools; and
- (3) protection of gardens or other delicate areas.

All fencing, walls and screens shall require the prior approval of the Architectural Control Committee for installation.

Section 16. Timber. All lot owners are required to preserve the natural beauty of the subdivision and to preserve the growth of timber which is presently located thereon. No significant cutting of timber shall be

allowed on any lot except as to the cutting or removal of trees as is necessary for the purpose of enhancing the beauty of the area, to foster future growth of remaining trees, and to allow for construction thereon. No tree larger than four inches caliper shall be removed or cut without prior written approval of the Architectural Control Committee.

Section 17. Erosion Control During Construction During clearing and construction, until all exposed dirt from excavation has been removed from the lot or brought to an approved final grade surrounding the dwelling unit and until the lot is permanently landscaped with vegetation or landscaping material, the lot owner shall take such steps as are necessary to prevent the erosion and washing of soil from the lot.

Soils, mud and landscape waste carried from the lot onto other properties and common areas such as easements, rights of way and roadways, by erosive forces or by vehicles leaving a construction site, shall be cleaned up daily or as necessary, at the expense of the lot Owner.

Section 18. Diligence During Construction All construction of a dwelling must be completed with due diligence and within a twelve month period of time after commencement of construction. During any period of construction or repair, the Owner responsible for such construction and repair shall maintain proper safety procedures, including appropriate construction barriers. Any construction use of easements for ingress and egress shall be minimized so as to not interfere with traffic and so as not to create offensive dust, debris, noise, or fumes. Any damage to common areas or private lots, wherever located, caused by construction traffic shall be promptly repaired by the Owner so as to place such damaged area in the condition which existed immediately prior to the construction period. If, during any phase of construction activities, disruptions occur which obstruct or otherwise negatively affect the traffic flow or activities of the other lot owners, the Architectural Committee may direct the Owner to immediately cease and desist using the contractors or subcontractor causing said disruption and the Owners shall promptly comply with such direction.

Section 19. Alteration of Natural Drainage Flow. Owners shall not alter or restrict the natural drainage flow in existing draws, or, in any manner, without first obtaining the express written permission from all contiguous or adjacent lot owners, which might be affected by said alteration of natural drainage. No pond or water reservoirs other than as established by Developer shall be permitted.

Section 20. Water Supply. Connection to the public water supply is required. Private wells are not permitted.

Section 21. Sewage Disposal Aeration Units or Buried Sand Filters shall be required on all lots with residences or multi family dwellings when construction is completed. The Units or Filters must meet all Illinois Department of Public Health regulations and requirements as well as all Illinois Environmental Protection Agency regulations and requirements. The Units or Filters must be installed, replaced or repaired by licensed contractors as licensed by the Illinois Department of Public Health and must be installed, repaired, or replaced in conformance with the Private Sewage Disposal Act and Code of 1984, as amended from time to time hereafter. A detailed drawing of the aeration unit or filter system showing the placement of the unit or filter system must be submitted to the Architectural Control Committee for its approval prior to issuance of a building permit for the installation, repair, or replacement of said aeration unit or filter system. All said Units or Filters must be inspected by the Architectural Control Committee before the system is backfilled. If the Owner fails to have the Architectural Control Committee inspect the Unit or Filter system before it is backfilled, then the Owner shall be subject to a fine not to exceed \$200.00 and the Owner shall be responsible for the cost to expose the system for inspection by the Committee.

Section 22. Subdivision of Lots No lots shall be subdivided except the lot between and contiguous to two other lots may be purchased and divided by said contiguous lot owners. No dwelling may be constructed on property less than a full lot.

Section 23. Hazardous Substances. No Owner shall cause or permit the presence, manufacturing, use, disposal, storage, or release of any Hazardous Substances on or in their respective lot. Owners shall not do, nor allow anyone else to do, anything affecting their lot that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on their lot of small quantities of Hazardous Substances that are generally recognized to be appropriate to maintenance of the premises.

Owners shall promptly give the Association written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving their lot and any Hazardous Substance or Environmental Law of which Owners have actual knowledge. If the Owner learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting their lot is necessary, the Owner shall promptly take all necessary remedial actions in accordance with directives or guidelines of the appropriate governmental agency and with Environmental Law.

As used in this Section 25, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Section 25, "Environmental Law" means federal law and the laws of the jurisdiction where the Property is located that relate to health, safety, and environmental protection.

Section 24. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying, soil stripping, or mining operations of any kind shall be permitted upon or in any lot, and no oil wells, tank, tunnels, mineral excavations or shafts shall be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

Section 25. Additional Rules and Amendments. From time to time the Association shall adopt additional rules and amend existing rules, including but not limited to, rules to regulate potential problems relating to the use of the Properties and the well-being of the residents, tenants, guests, and invitees. Such additional rules may only be adopted or amended by a two-thirds vote of the members, following a hearing for which due notice has been provided to all lot owners of record. As such additional rules and any subsequent amendments hereto shall be furnished in writing to all lot owners of record prior to the effective date of such rules and shall be binding on each lot Owner and all actual residents and their guests when furnished in writing. Copies of such rules may also be filed for record with these covenants and when filed, shall become a part hereof.

ARTICLE X -- INSURANCE AND INDEMNIFICATION

Section 1. Common Area Insurance. The Board shall have the authority to and shall obtain insurance for the Common Areas and all improvements situated thereon, and for any other real or personal property of the Association against loss or damage by fire and such other hazards as the Board may deem desirable to insure against, for the full insurable replacement cost of said Common Areas, improvements situated thereon and other real and personal property of the Association. The Board shall also have the authority to and shall obtain comprehensive public liability insurance, including liability for injuries to and death to persons, and property damage, in such limits as the Board shall deem desirable, insuring the Association, its Directors, Officers, Committee Members, employees, and Agents from liability in connection with Common Areas, improvements located thereon, and other real and personal property of the Association, and insuring the Directors, Officers and Committee Members of the Association from liability for good faith acts or omissions beyond the scope of their respective authorities. Such insurance coverage shall include cross-liability claims of one (1) or more insured parties against other insured parties. Premiums for all such insurance shall be a common expense of the Association.

Section 2. Indemnification. The Directors, Officers and Committee Members of the Association shall not be liable to any Owner or any Member, or any person claiming by or through any such owner or Member, for any act or omission to act in the performance of their duties, and the Association shall have the power to indemnify all such Directors, Officers and Committee Members from all claims, demands, actions and proceedings and any expense in connection therewith, except if such Director, Officer or Committee Member shall be adjudged in any such action or proceeding to be liable for willful misconduct in the performance of his duties.

ARTICLE XI -- ENFORCEMENT AUTHORITY AND PROCEDURE

Section 1. Authority. The Board shall be authorized and empowered to:

- (i) make and enforce reasonable rules and regulations governing the conduct, use and enjoyment of the Properties;
- (ii) impose reasonable fines, which shall constitute a lien upon the lot of a member, and/or suspend such member's right to use the Common Areas and the right to vote, for not more than thirty (30) days, or such time as a violation may continue and sixty (60) days thereafter for violation of this Declaration, the By-Laws or any Rules and Regulations which have been duly adopted by the Association;
- (iii) begin any action in any court on behalf of the Association and all Owners to abate any nuisance, or otherwise to protect the values and integrity of the Subdivision; and
- (iv) recover costs incurred by the Association in enforcing these protective and restrictive covenants, including attorneys fees.

Section 2. Procedure. The Board shall not impose a fine, suspend voting, begin court action or infringe upon any other rights of a member or other occupant for violation of rules unless and until the following procedure is followed:

- (a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:
 - (i) The alleged violation;
 - (ii) The action required to abate the violation; and,
 - (iii) A time period, not less than ten (10) days, during which the violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not continuing.
- (b) Notice. Within six months of such demand, if the violations continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board shall serve the violator with written notice of a hearing to be held by the Board in executive session. The notice shall contain:
 - (i) The nature of the alleged violation;
 - (ii) The time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;
 - (iii) An invitation to attend the hearing and produce any statement, evidence and witnesses on his or her behalf; and,
 - (iv) The proposed sanction to be imposed.
- (c) Hearing. The hearing shall be held in executive session pursuant to this notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such

proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

ARTICLE XII -- GENERAL PROVISIONS

Section 1. Articles and By-Laws of Association. The Articles of Incorporation and By-Laws of the Association shall be made a part hereof.

Section 2. Severability. If any provisions of this Declaration or the By-Laws of the Association or any section, sentence, clause, phrase or word or the application thereof in any circumstance, is held invalid by the judgment or order of any court of general jurisdiction, the validity of the remainder of the Declaration and said By-Laws, and the validity of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances, shall not be affected thereby. All applicable restrictions, covenants, laws, and ordinances of the County of Menard, or, if applicable, the City of Petersburg, shall be considered a part of these restrictions and covenants and nothing herein shall be construed to approve or permit anything prohibited by law or such ordinance.

Section 3. Title holding Trust. In the event title to any parcel is conveyed to a title-holding trust, under the terms of which trust the powers of management, operation and control of said parcel remain vested in the trust beneficiary or beneficiaries thereunder, the Beneficiaries shall be deemed the Owner or Owners of said parcel and subject to all of the terms and provisions of this Declaration and the By-Laws of the Association. No claims shall be made against any such title holding trustee personally for payment of any entering membership fee, assessment, lien or other charge created by this Declaration or said By-Laws, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such entering membership fee, assessment, lien or other charge, provided, however, that the amount of such entering membership fee, assessment, lien or other charge shall continue to be a charge and lien upon each parcel conveyed to said title holding trust, and the joint and several personal obligation of the beneficiaries of said trust at the time any entering membership fee, assessment, lien or other charge with respect to any such parcel became due and payable, notwithstanding any transfers of the beneficial interest of said trust, or any transfers of title to any such parcel.

Section 4. Notice of Sale, Lease or Mortgage. In the event an Owner sells, leases or executes a contract for deed of the Owner's property, the Owner will be required to give to the Association, in writing, the name of the purchaser or lessee of the property.

Section 5. Amendments and Supplemental Declarations. Any amendments and supplemental declarations shall set forth the covenants, conditions, restrictions, easements, development guidelines, charges and liens to which the property covered thereby shall be subject. Such amendments, modifications, covenants, conditions, restrictions, easements, charges and liens may contain additions, deletions and modifications from those contained in this Declaration, as the parties subjecting such property to the scheme of this Declaration may desire, provided, if such party is other than Developer, as a condition to such party's right to so impose such additions, deletions or modifications, such party must first obtain the prior written consent thereto of Developer and the Association, acting through its Board, in such manner as required by the By-Laws of said Association. No amendment or supplemental declaration shall require a lot owner to remove any structures constructed in compliance with the Declaration existing on the date on which the construction of any such structure was commenced. Such amendment or supplemental declaration shall not become effective until the instrument evidencing such amendment or supplemental declaration has been filed of record. It is expressly agreed and understood that, until such time as the first annual meeting of the Association as hereinafter provided, Developer may make amendments and create and impose supplemental declarations in regard to all or any part of the property and thereby supplement, modify and/or amend the

Section 5. Term. The covenants and restrictions of this Declaration, amendments thereto and supplemental declarations, shall run with the property herein described, for a term of thirty (30) years from the recording date of this Declaration and the recording date of any amendments thereto or supplemental declarations, after which time they shall be automatically extended for successive periods of ten (10) years, unless at the expiration of any such period, the covenants and restrictions, as amended and supplemented hereafter, are expressly terminated by an instrument signed by the Board of Grand Oaks Estates Homeowner's Association, Inc. in conformance with the By-Laws of said Association.

IN WITNESS WHEREOF, the undersigned Developer and Owner have caused this instrument to be executed this 14th day of July, 1993.

D.G.H. DEVELOPMENT CORPORATION, INC.,

Developer,

By: Allen D. Grosboll
President

ATTEST:

Steven L. Hofing
Secretary

Allen D. Grosboll
ALLEN D. GROSBOLL

Steven L. Hofing
STEVEN L. HOFING

Patrick W. Doyle
PATRICK W. DOYLE

STATE OF ILLINOIS)
 : ss
COUNTY OF MENARD)

I, the undersigned, a Notary Public, in and for said County and State aforesaid, DO HEREBY CERTIFY that ALLEN D. GROSBOLL, personally known to me to be the President of D.G.H. Development Corporation, Inc., and STEVEN L. HOFING, personally known to me to be the Secretary of said corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed and delivered the said instrument of writing as President and Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

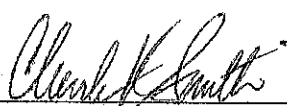
Given under my hand and official seal, this 14th day of July, 1993.
Charles K. Smith
Notary Public.



STATE OF ILLINOIS)
 : ss
COUNTY OF MENARD)

I, the undersigned, a Notary Public in and for said County and State aforesaid, do hereby certify that ALLEN D. GROSBOLL, STEVEN L. HOFING, and PATRICK W. DOYLE, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this *14* day of *July*, 1993.



Notary Public

PREPARED BY:

Charles R. Smith
Grosboll, Becker, Tice & Smith
Attorneys at Law
101 East Douglas Street
Petersburg, IL 62675
Telephone: 217-632-2281



PLEASE DO NOT PUBLISH

STATE OF ILLINOIS }
MENARD COUNTY } SS.NO.

177924

This instrument was filed for Record in the
Recorder's Office of Menard County aforesaid on

AUG 27 2002

THIS INSTRUMENT PREPARED BY:
(After recording, please return to:)

Charles K. Smith
Attorney at Law
113 East Douglas Street
Petersburg, IL 62675
Telephone: 217/632-7750

at 9:20 o'clock A M. and recorded
in book 678 page 131 or Dept. _____
Ann Tucker Recorder

plat Cab A pg. 196

(Above Space Reserved for Recorder)

AMENDMENT TO OWNER'S DECLARATION OF
RESTRICTIVE AND PROTECTIVE COVENANTS
FOR GRAND OAKS ESTATES, MENARD COUNTY, ILLINOIS

THIS IS AN AMENDMENT to the Owner's Declaration of Restrictive and Protective
Covenants for Grand Oaks Estates, Menard County, Illinois, which Declaration is dated July 12,
1993 and was recorded July 23, 1993 in Book 282 Page 28 as Document Number 143029 and
which was re-recorded on December 10, 1996 in Book 391 Page 128 as Document Number
154551, with the Menard County Recorder, Petersburg, Illinois.

D.G.H. Development Corporation, Inc., an Illinois Corporation, herein called
"Developer" and "Owner" does hereby amend said Declaration of Restrictive and Protective
Covenants as follows:

1. Article IX - Restrictive Covenants - Section 3. Single-Family Purposes. The existing
language of Section 3 is deleted in its entirety and in its place is inserted the following:

No lot shall be used except for single family residential purposes.

2. Article IX - Restrictive Covenants - Section 4. Allowable Structures/Size., Sub-
Paragraph 5. The existing language of Sub-Paragraph 5 is deleted in its entirety and in its
place is inserted the following:

All accessory buildings shall be incidental to the residential use of the Property and shall conform and be consistent with the overall architectural design of the residence on the lot in question, as determined by the Architectural Control Committee. Only on those lots whose gross size (including conservation easements) exceeds 4.0 acres, shall accessory buildings be designed for use as guest accommodations, and the building must be consistent with the main residence and clearly secondary to it in size and use.

3. Article IX - Restrictive Covenants - Section 8. Certain Site Improvement Limitations., Sub-Paragraph 1. The existing language of Sub-Paragraph 1 is deleted in its entirety and in its place is inserted the following:

Unobtrusive placement of a single satellite dish with a diameter of 24 inches or less is allowed, so long as the location is indicated on the house plans or there is a subsequent request submitted for Architectural Control Committee approval. No other type of outside television or radio aerial or antenna, or other antenna or dish or signal receptacle, for reception or transmission, shall be maintained on the exterior of any lot, living unit, or the Common Areas, without the prior written consent of the Architectural Control Committee.

IN WITNESS WHEREOF, the undersigned Developer and Owner have caused this Amendment to be executed this 5th day of January, 2002.

D.G.H. DEVELOPMENT CORPORATION, INC.,
Developer and Owner,

By: Allen D. Grosboll

Its President

ATTEST:

Steven L. Hoj
Its Secretary

STATE OF ILLINOIS)
 :SS
COUNTY OF MENARD)

I, the undersigned Notary Public, in and for said County in the State aforesaid, DO HEREBY CERTIFY that ALLEN D. GROSBOLL, personally known to me to be the President of the D.G.H. DEVELOPMENT CORPORATION, INC., and STEVEN L. HOFING, personally known to me to be the Secretary of said corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed and delivered the said instrument of writing as President and Secretary of said corporation and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and official seal, this 5th day of January,
2002.

Lynne Dearing
Notary Public

